

St. Mary Rehabilitation Working Group  
Meeting Minutes 5-28-08

10:15 meeting called to order.

Working Group Members Present: Lt. Governor John Bohlinger, Randy Reed, Dolores Plumage, Marko Manoukian, Paul Tuss, Gary Anderson, Randy Perez, Jennifer Brandon, Dave Peterson, and Steve Page.

Alternates: Kay Blatter (alternate for Jennifer Brandon) and Wade Jones (alternate for Bruce Hould).

Absent: Don Wilson, Wade Engstrom, and Mike Barthel.

Others: Erling Juel.

Ex-Officio Members Present: Senator Ken Hanson, Representative Wayne Stahl, and Mike Dailey.

Staff Present: DNRC/State Present: Paul Azevedo-State Coordinator, Judy Edwards-MT Consensus Council, Larry Mires-Executive Director, and Christine Muller-Administrative Assistant.

Agenda Approved. Minutes moved to end of meeting so members can review during the day.

Gary Anderson asked where the irrigators were? The meeting was supposed to be between the local irrigators and the Working Group. He wondered where the irrigators were and why they were not present for the meeting. He was under the impression the irrigators were planning on being present but noted that no one was present. The only irrigators present were the Working Group board members. Randy Reed and Kay Blatter responded that weather was a factor and that the irrigators were aware of the meeting and they were invited but were unable to attend.

Marko Manoukian reported the Outreach Committee met with the Joint Board of Control for 4 hours on May 6, 2008, in Malta at the Tin Cup Restaurant. Roundtable discussion:

- a. What a water basin authority entity should look like.
- b. How membership and authority would be different than the makeup of the Joint Board of Control and Working Group.
- c. The committee received input and a wide array of thoughts, comments, and opinions.

- d. Some members thought the entity would just follow the Milk River, others thought it would involve other people, i.e. Ducks Unlimited, the possible inclusion of Canada, tribal involvement, etc.
- e. Include other resources for possible revenue generation, for i.e. wind generation.
- f. Long term sustainability and long term revenue generation.

Steven Page felt a consensus was reached during the discussion for development of possibly a conservancy district. Randy Perez commented that at the last meeting he attended, the discussion was that the irrigators were going to come up with the 25% cost-share. Paul Azevedo stated that the State is ready to step up now because there isn't another governing body to take over – down the road there needs to be an entity so the State can step back and function in a supporting role only.

Lt. Governor John Bohlinger commended Steve Page on his powerpoint presentation and depth of research and information. Presentation attached to hard copy of minutes. Two concepts that he would like to see further discussion on were the need for a regulatory authority and defining the need to insure the future viability for the project. Steven Page addressed the need for a regulatory authority. Everyone who uses water within the basin realizes that when the water is released it is up for grabs or free for the taking. The Joint Board of Control doesn't have any authority over the other water users. There is a definite need to include other users, municipalities, and recreational users to name a few. Consideration also needs to be the environmental implications and the need to maintain stream flow. There needs to be a governing authority in place to answer these questions.

Discussion on the need to generate dialogue to see what direction the Working Group needs to go. Lt. Governor John Bohlinger thanked Steven Page for providing a framework for discussion. He sees a need for a governing body to be established to do a cost benefit analysis. Gary Anderson commented that the Joint Board of Control and the irrigators need to have time to discuss and respond. Lt. Governor John Bohlinger believed that the last statement of the power point “***Insure the future viability of the Milk River Project, to finance projects and to insure appropriate diversion, storage, and equitable distribution of water from the St. Mary River and the natural flow of the Milk River in an orderly and efficient manner, to the mutual benefit of the entire basin.***” would be a good mission statement for the Working Group. Paul Azevedo agreed that viability and equitable distribution would be a good place to begin dialogue.

Steven Page stated that by definition a conservancy district represents a subdivision of state government and is a quasi-governmental authority or agency and operates

under law and in most instances, follows the format of existing law. It is similar to a Board of Commissioners, with the different members of the conservancy district generally made up of a diversity of folks, with the principal users being well represented. Steven Page reported that the biggest concern from the members of Joint Board of Control was the fear of losing control.

Larry Mires presented the Southern Nevada Water Authority power point presentation (attached to hard copy of minutes).

Discussion requested on the Working Group's mission. Lt. Governor John Bohlinger requested Judy Edwards lead the conversation.

Judy requested discussion on what the statement shown above meant to Working Group members. Points of discussion:

- a. Water flow
- b. Water quality
- c. Economic issues – viability of all populations – future economic development
- d. Financial viability both short and long term.
- e. Future planning - water system instead of single purpose irrigation project
- f. Future revenues
- g. Invest in infrastructures
- h. Development of partnerships
- i. Catastrophic failure of the canal and socioeconomic repercussions

Paul Azevedo suggested defining the problem(s) that need to be solved in the Milk River and find the solution to the problem(s).

12:15-1:00 – Lunch

Judy Edwards facilitated further discussion. Requested Working Group to brainstorm the problems prior to focusing on solutions. Consensus reached on identified problems:

1. Lack of a dependable supply of water.
2. Current lack of funding/financing to rehabilitate St. Mary Milk River Project infrastructure.
3. Lack of enforceable water management on the Milk River.

Judy Edwards asked the members to focus their efforts on these questions for discussion. Evaluate, discover, and research information to solve the problems. Who will be tasked

to address these ideas? Consensus reached to form a joint committee comprising of Working Group and Joint Board of Control members. Since the Outreach Committee is already established, agreement reached that it was the proper committee for discussion, with additional members assigned to the committee. Committee membership to include:

Wes Pankratz  
Jennifer Brandon  
Dave Peterson  
Wade Jones  
Randy Perez  
Dolores Plumage  
Don Wilson  
Gary Anderson  
Marko Manoukian  
Paul Tuss  
Randy Reed  
Steve Page

Steven Page requested permission to obtain advice from legal council or consultation of a professional to address questions or legal issues as needed. After discussion agreement was reached between members to seek advice not representation and experts tasked to answer questions or issues during discussions. Wayne Stahl reported that legislative staff would be available to advise the committee at no cost. Wayne encouraged the Committee to look at different options, he recommended setting up a charter entity which would provide less interference and more control. A charter would empower the people within the water basin. The Outreach Committee will meet as soon as possible to begin discussion. Lt. Governor John Bohlinger and Larry Mires will meet with Greg Petesch on May 29, 2008, to seek advice from him and report back to the Working Group. The Outreach Committee will include Greg Pettish in discussions.

Election Executive Committee Membership: Members reelected to positions.  
Approved.

Paul Tuss provided budget report.

Larry Mires requested donation letters be drafted by July 1, 2008.

Ron Crossguns reported that the Blackfeet compact is not finalized yet, but is close.

Randy Perez reported that the Ft. Belknap compact was waiting for approval of the US Congress.

Catastrophic Failure Committee Report: Dave Peterson and Mike Dailey will report to the Working Group after they receive the final report from Erling at TD&H.

Paul Azevedo and Larry Mires reported on meeting with Corp of Engineers (Don Wilson, Paul Azevedo, John Tubs, and Larry Mires traveled to Portland for the meeting.

Summer meeting schedule: Regularly scheduled meetings for the months of June & July. August will need to remain flexible due to schedules set for tours. Larry Mires on vacation from June 3-15.

Larry Mires reported that he and Paul Azevedo will attend the upcoming 25<sup>th</sup> Annual Western Water Seminar sponsored by the National Water Resources Association in Stephenson, Washington on July 28-30.

Amend minutes to clarify the cost of the siphon trailer signage to be "no more than \$1205." Minutes approved.

Larry Mires reported the hard hats with SMRWG logo were ordered but he was still awaiting a decision on the lapel pins.

**Public Comment: Ron Crossguns – Bureau of Indian Affairs.** Speaking as private citizen not in his role with the BIA. The only reason there is water to divert is because it generates out of the Blackfeet tribe reservation. The Blackfeet tribe has never and is not currently receiving any benefits or compensation. The SMRWG doesn't have jurisdiction over the entire river, only when it leaves the Blackfeet reservation.

Paul Azevedo handed out process agreement.

Meeting adjourned at 3:00.